

# Building a talent-centric, strategy-focused healthcare board

KF Health Board Services



U.S. healthcare is one of the most complex systems in the world. Changes within the industry are historically slow. This includes a governance model that is outdated, cumbersome, and rooted in “the way we have always done things” mantra.

## COVID-19 created an undeniable case for change.

Healthcare boards today confront multiple strategic priorities that have been accelerated by the pandemic—from cybersecurity and alternate sites of care to digital infrastructure and consolidation. Boards have expanded their agendas to embrace the broader issues of disruptive technology, access to care, new business and partnership models, value-based care, workforce burnout, and social justice.

Boosting board performance demands that organizations adopt a talent-centric approach to board development and decision making. Only then can boards make good on their commitment to lead healthcare organizations with vision, purpose, and accountability.

Talent-centric boards are grounded in the belief that each board member contributes a highly unique blend of knowledge, skill, experience, leadership style, and personal background to board service.

*This article is the first in a series on how organizations can enhance board efficiency and effectiveness. In this article we zero in on the strategic role of healthcare boards and how organizations can tap the best mix of board talent, skill, and experience to deliver on strategic alignment.*

The collective wisdom of individual board members strengthens and turbocharges healthcare boards, making them more agile, flexible, and resilient during crises like COVID-19 and severe financial downturns. The preferred strategy is tap the best and brightest collection of board talent available from among individuals who have the business acumen, financial wisdom, intellectual curiosity, and a balance of both analytical and conceptual thinkers to challenge, embrace, and help guide the executive team through this period of rapid transformation. Organizations recognize the traditional methodology of only selecting members based upon their status in the community does not always allow for fluidity of diverse and strategic leaders. While geographic representation is important, they need to think more holistically about the actual skills and competencies that are needed for the future.

With the right board members—and a strong board chair and process—organizations can tap members’ diverse perspectives, experiences, and backgrounds. The result: a high-performing board that can analyze, monitor, evaluate, and tweak organizational strategy.

## Healthcare boards of today have to think differently to bring the right skills and competencies to the boardroom.

This includes looking beyond their own

geographical boundaries, accommodating for external participation via technology versus requiring onsite participation only, determining if and how its members are compensated, and how their performance is assessed.

Strategy is everything. All too often, a flawed board process or weak board leader sends board members “into the weeds” on interesting but tactile activities versus focusing on long-term performance.

The bottom line: Boards work best when organizations give them the freedom and foundation to safeguard and drive strategic alignment.

### **A strategy-minded and focused healthcare board:**

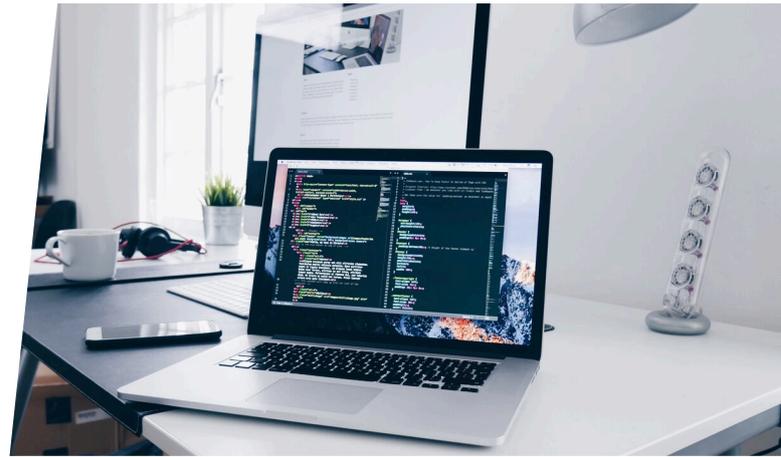
- Concentrates on the right issues that drive the organization’s mission, vision, policy, and values.
- Functions with a shared sense of where the organization is headed and what needs to be done strategically to move the organization forward.
- Understands how and where the board can add value.
- Knows why, where, and how the organization and board interface and interact.

To track performance and hold management accountable, boards must compare where the organization is headed versus where it hopes to travel through its mission, vision, and values. Consider the decisions organizations face:

**Acquisitions and consolidation:** As more hospitals and health systems acquire facilities and practices, boards must track and evaluate how these decisions align with strategies related to growth, finances, care delivery, innovation, and community impact.

**Digital Transformation:** As organizations invest in technologies ranging from telemedicine and virtual reality to artificial intelligence (AI)-enabled medical devices and blockchain EHRs, boards must evaluate how these investments align with strategies connected to primary care, hospital at home, on-demand care, or personalized medicine.

**Stepping Back or Out:** As hospitals and health systems elect to downsize or discontinue unprofitable or under performing services, boards must guide the deliberations. The issue: How



would service cutbacks or enhancements affect care quality, access, and equity, community image, and finances?

The bottom line: high-performing boards connect the dots. They probe clinical, financial, and operational decisions for their impact on stakeholders and alignment with mission, vision, values, and strategy.

Asking and answering the toughest of questions calls for a board with the right blend of knowledge, skill, experience, and interpersonal savvy. Organizations want board members who can accelerate and upgrade the transformation process. They seek board competencies ranging from data analytics and consumer engagement to alliance building and investment know-how. And

## Analytical questions on board member agendas:

- What are the implications of this decision for providers, payers, suppliers, consumers, and business partners? How will it affect risk, regulation, compliance, and reimbursement?
- What results or outcomes will this decision generate over the next three-to-five years and on through 2030?
- How will a discrete decision or cluster of decisions help the organization fulfill mission, achieve vision, illuminate values, and address strategic imperatives?

with the demand for business savvy and financial acumen comes the need for values mesh and community connection.

Finding the best board members suggests that healthcare organizations may want to move closer to the corporate board model, where strategic decision making almost always takes precedence over tactical execution.

Healthcare boards could benefit from the disruptive credibility of leaders in industries as varied as transportation, retail, entertainment, media, hospitality, or consumer products.

Consider the influence of board members coming from game-changing companies. Healthcare organizations can pursue board innovators in multiple areas-- from start-ups like Oscar and seasoned consulting firms like McKinsey, to technology leaders like Teladoc, and biopharma superstars like Merck.

Now is the time for healthcare boards to drive organizational strategy and invite experts with a different take on finance, operations, innovation – across geographies. It's these boards who are best equipped to face the complex and challenging issues of the healthcare system – and ensure the success of their organizations.



### **Jena Abernathy**

Senior Client Partner & Sector  
Leader, Healthcare Board  
Services

+1 404-984-4874

[jena.abernathy@kornferry.com](mailto:jena.abernathy@kornferry.com)

### **About Korn Ferry**

Korn Ferry is a global organizational consulting firm. We work with our clients to design optimal organization structures, roles, and responsibilities. We help them hire the right people and advise them on how to reward and motivate their workforce while developing professionals as they navigate and advance their careers.